

STRATEGIC DIRECTION AND ORGANIZATION OF THE REMEDIATION AND REDEVELOPMENT PROGRAM

An Advisory Group Report

Wisconsin Department of Natural Resources

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This report contains the findings and recommendations of the advisory group that began their deliberations in June 1995 to define the strategic direction for and organization of the cleanup programs in the Department of Natural Resources. The participants included both external interests and DNR staff.

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On behalf of Secretary Meyer, a special thank you is extended to all the participants, especially the external members.

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I. EXECUTIVE SUMMARY AND RECOMMENDATIONS

As the Department was soliciting advice during Spring 1995 on organization improvements, consolidation of the various cleanup programs within the Department was identified as a key issue by external parties. In addition, numerous economic, social, technological and political factors have brought to the forefront the need to evaluate how contaminated sites are most cost-effectively restored and, for many of the sites, converted to beneficial community use. In response, Secretary George Meyer asked staff to study the issue and prepare a report of the findings and recommendations by early September 1995.

This report has two general audiences with compatible and mutually reinforcing interests. Its contents, accordingly, will have two purposes, interrelated and interdependent:

1. **FOR THE EXTERNAL (PUBLIC AND PRIVATE SECTOR) AUDIENCE** -- This report announces the intention of the Department of Natural Resources to be a full partner in the cleanup and transformation of contaminated sites to beneficial uses. It identifies the existing and future tools needed to fulfill that commitment, envisions using a wide range of public, private and non-government sector assets and promises a culture of cooperation within the agency from beginning to successful conclusion of each project.
2. **FOR THE INTERNAL (DNR) AUDIENCE** -- This report defines the structure, staffing requirements, agency assets (such as grants, loans and technical assistance) and management system required for cost-effective cleanup and revitalization of contaminated sites.

This report communicates to the Department's customers and staff the organizational and strategic framework it will follow to respond to environmental contamination. As would be expected from an environmental management agency, the emphasis of the program will be to protect public health, safety and the environment. The agency will maintain its commitment to environmental protection; however, the Department intends to fulfill these expectations while also facilitating the redevelopment of contaminated property. Moving beyond past practices not only makes economic and community redevelopment sense, but sound land use sense. The Department views its commitment to the beneficial use of contaminated property as part of a larger land use strategy that emphasizes the revitalization of community as one component of an initiative to curb inefficient land use elsewhere.

To insure the report has technical veracity and meets the needs of key stakeholders, and the public at large, an advisory group of external interests and DNR staff was established in June 1995. This report represents the collaborative efforts of that group. Most importantly, this report defines the steps necessary to successfully implement a comprehensive, effective program for addressing environmental contamination and redevelopment. The Department anticipates continuing into the future the dialogue that led to the formation of this report and the participatory process used by the advisory group. This report also has relevance to the efforts of Senator Panzer's Special Legislative Committee on Remediation of Environmental Contamination. The Department looks forward to working with the Senator's committee and

other members of the Legislature in future deliberations.

This report is the first implementation project in a larger effort to reorganize the entire Department of Natural Resources. DNR Secretary George Meyer, administrators and the state Natural Resources Board believe an organizational restructuring may help position the agency to more effectively meet challenges and responsibilities today and into the next century. The organizational review examined how the department can:

- Increase efficiency and effectiveness;
- Focus on the resources and environment on a geographic basis;
- Remove barriers to integration of resource and environmental programs;
- More easily facilitate public and private partnerships that benefit environmental management and increase agency effectiveness;
- Meet increasing demands on our direct staff services from our customers, clients and Wisconsin's natural resources; and
- Better empower the existing staff to get the job done and enhance professional satisfaction.

The major components of the new program are highlighted and discussed throughout the document. The recommendations provide the building blocks for success. The service and vision statements reinforce the importance of how environmental cleanups and site redevelopment are linked to one another. To be effective, the following desired states will be embodied in the program and applied to all contaminated sites:

- Environmental Protection
- Partnerships
- Redevelopment
- Advocacy/Single Point of Contact
- Public Participation and Community Education
- Privatization
- Consistency
- Geographic Proximity
- Trained, Innovative and Responsive Staff
- Timeliness and Efficiency
- Lack of Regulatory Duplication
- Fiscal Resources

Understanding the importance of each of these desired states and how they are all integrated is directly related to the program's organization and needs. The organization of the new program is designed to address the need for a single, consolidated cleanup program within the Department. The proposed organization (see recommendation 4 for details) fulfills this need, building upon existing expertise. A strong commitment to maintaining environmentally sound technical approaches, and enhancing

partnership building, the contaminated site redevelopment and systems management outlines the spectrum of expertise needed in the program. Strong leadership and talented, innovative staff will ensure the timely and successful implementation of the program.

To be successful, implementation issues were identified so they would be proactively addressed. Many of the recommendations and desired states provide the framework to resolve and move beyond the implementation issues. The four general areas that describe the implementation issues are:

- Federal Requirements/Interface
- State Requirements
- Workload/Resources
- Promotion of Innovation

To reinforce the fact that issues are being addressed and the program is moving in the right direction, a results-driven management system will be created. Continuous feedback and evaluation will provide the Department the information it needs to be innovative and to make the program work well. To stress the importance of innovation and how ideas are turned into successful program functions, an update of current initiatives is provided in Section VII of this report. Ideas and input from the Department's external and internal customers provide the basis for implementing such concepts.

Recommendations

1. The Department of Natural Resources should fully embrace the concept of remediating contaminated lands for beneficial reuse, and it should use the full range of its technical, educational, and fiscal tools toward achieving redevelopment while maintaining a strong environmental ethic.
2. In response to community-driven priorities and as an active partner with community officials, the Department should facilitate using the assets of government agencies at all levels toward the tasks of remediating and redeveloping contamination sites.
3. To provide a world-class level of customer service and to promote the return of contaminated property to beneficial reuse, the Department should create a Bureau for Remediation and Redevelopment.
4. The Bureau for Remediation and Redevelopment should be responsible for overseeing cleanup activities at the following:
 - a. Hazardous waste facilities currently being cleaned up in accordance with corrective action or closure authorities.

- b. Closed solid waste landfills or other solid waste facilities currently being cleaned up in accordance with solid waste authorities.
 - c. Sediment cleanups.
 - d. Closed wastewater facilities currently being cleaned up in accordance with wastewater authorities.
 - e. Sites, facilities or landfills currently being cleaned up in accordance with environmental repair, hazardous substance spills or Superfund authorities.
 - f. Sites or facilities currently being cleaned up in accordance with land recycling authorities.
 - g. Abandoned containers.
5. The NR 700 rule series (chapters NR 700 - NR 736, Wis. Adm. Code) should be uniformly applied to all environmental remediation actions. Appropriate revisions to existing solid waste, hazardous waste and wastewater rules will be pursued, in a timely manner, to achieve a consistent, seamless cleanup program. Other programs overseeing cleanup actions (e.g., remediation of an active landfill) should conform to policies and approaches adopted by the Bureau for Remediation and Redevelopment and will seek advice and support on specific issues.
6. The Department should aggressively seek concurrence with a "cultural change" in the relationship it has with the U.S. Environmental Protection Agency (EPA) to redefine the state-federal partnership and seek EPA's assistance in leveraging other federal agencies with the capacity to assist in converting contaminated lands to beneficial use. This will also result in federal acceptance of Wisconsin's single, comprehensive cleanup program.
7. The Department should pursue, under EPA's Brownfields Initiative, a pilot program to address hazardous waste corrective actions or closures sites under the NR 700 rule process instead of under cleanup provisions in NR 600 when responsible parties are willing and able to address the contamination.
8. Partnerships should be a key element of the overall program. Partnership outreach to all interested parties in a cleanup is critical to achieving an accepted environmental approach while addressing the redevelopment and economic needs of the community and individuals involved. The bureau director should establish a program to define and secure the employee skills, partnership tools (legal, procedural, etc) and working climate conducive to building successful partnerships.
9. Privatization should be used more extensively so more sites can be cleaned up using more innovative approaches. The Department should continue to evaluate ways to rely more on the

private sector, building upon the simple-site process established in the NR 700 rule series. This will require review and revision of guidance, rules and, in some cases, statutes to fulfill this recommendation. In a broader sense, the Department should develop a partnership and asset leveraging strategy that encompasses all elements of the beneficial use process and incorporates experiences from previous site remediation projects.

10. The Department should continue to work with the Legislature, especially Senator Panzer's Special Committee on Remediation of Environmental Contamination, to establish an adequate state cleanup fund for remediating contaminated properties.
11. The Department should pursue a legislative initiative to promote the application of innovative technologies and staff will be familiar with innovative methods. This legislative initiative needs to address funding for research and limited liability exclusions.
12. The Department should focus its staff recruitment and training efforts to broaden staff skills beyond just technical proficiency to include understanding of the secondary consequences of making particular cleanup decisions. Developing a better understanding of the timing of property transactions, lender concerns, neighborhood/community groups, etc., should also be incorporated into staff training plans.
13. The Department, as part of the organizational implementation of the new bureau, should redefine and refocus its technical assistance and project management roles. It should specify the skills and knowledge expected of its employees, including competencies of staff skilled in site remediation, community relations and education, project management and management systems, while also giving staff the tools they need to do the job. This recommendation will maximize DNR resources, identify those skills and knowledge not available internally and assist in changing the "mind set" of lenders, developers, responsible parties and consultants that have historically over-relied on DNR staff. This will also require an evaluation of how projects are prioritized to direct staff resources.
14. Project coordination with other DNR programs and agencies should be a key role for staff assigned to the new bureau to ensure remedial actions are implemented in a timely and effective manner. Delays between remedy selection and implementation should be avoided by using a "one-stop shopping," process that establishes and delivers customers' expectations of expedited treatment in return for well-done, front-end work. For example, initiating the process to obtain an air permit at the same time a remedial action is being designed will ensure the remedy can be implemented without delays. A "Regulatory Coordination Team for Remedial Actions" should be established to facilitate implementing this recommendation.
15. A workload analysis of the Bureau for Remediation and Redevelopment should be completed by February 1, 1996 to prioritize the development of the program's staff and financial resources. This is particularly critical based upon the anticipated federal funding reductions. Approximately two-thirds of the existing staff dedicated to cleanups are federally funded. Expected reductions would

greatly impair implementation of this report. This workload analysis also should be completed for other DNR programs involved with cleanup and redevelopment issues.

16. The Department should pursue rule revisions to expand the closure of groundwater contamination cases.
17. The Department should use the Remediation and Redevelopment program as a prototype for an applied environmental indicator system tied to a variety of elements of environmental and non-environmental factors. Determining what should be indicators and how they can be measured should be accomplished by establishing a feedback/evaluation process with internal and external customers.
18. To complement the efforts of the Remediation and Redevelopment programs, the Department should continue to expand its efforts in all applicable programs to prevent contamination, sending a strong pollution prevention message.
19. The Department should actively involve and inform the general public about the strategic direction and organization discussed in this report. Such an effort should also assist the Department in identifying participants for the evaluation process (See Recommendation 17) and foster greater interest in site-specific matters.

II. SERVICE STATEMENT

Consistent with and in support of the Department of Natural Resources' mission, the service statement of the Bureau for Remediation and Redevelopment is to:

Facilitate the return of contaminated properties to environmentally safe and productive use by relying on private sector, community and government partnerships.

The purpose of the service statement is to clearly communicate the focus of the program to the Department's staff, and customers, emphasizing the need for:

- Protecting Public Health and Safety;
- Protecting the Environment;
- Establishing Partnerships with all Interested Parties;
- Promoting/Enabling Redevelopment of Contaminated Property; and
- Recognizing Staff Expertise and Dedication.

Effectively communicating the program's purposes and goals is key to a successful

start, just as education, communications, community relations and consensus-building are important to specific projects. Attached is the Partnership Matrix (A-3) which provides more information on how the traditional site response process may be integrated with partnerships, beneficial reuse or other opportunities. Seeking feedback from our various partners is critical to building successful partnerships.

III. VISIONS AND OPPORTUNITIES

The Department envisions the creation of a seamless, consolidated Remediation and Redevelopment program that will have an improved way of doing business. Our vision is:

The Department's Remediation and Redevelopment program provides recognized leadership and forms supportive partnerships to convert contaminated properties into safe and productive community assets.

We envision this new program embodying the following features:

- **Environmental Protection.** The Department should maintain its strong and effective cleanup program, achieving remedies that protect public health, safety and the environment. Maintaining a strong environmental program will not only provide future generations with a usable resource, but also an objective baseline to define environmental justice concerns.
- **Partnerships.** The Department's new program should be based on partnerships. Businesses have long used partnerships and joint ventures to accomplish their goals. Similar to business, the Department will develop the internal skills, culture, and tools to effectively develop and use partnerships in all of their legal, institutional, social, and systems' dimensions. We will depend upon community-based partnerships with local governments, lending institutions, developers and investors, citizens and each other in the Department. We will form new partnerships with federal, state and local agencies, and with government, trade and industry organizations. Our partners will not be limited to those with a focus on environmental issues. We will reach out to others who may have a stake in the redevelopment of contaminated property.
- **Redevelopment.** Although environmental standards are important, and will continue to be emphasized, the broader goal of the program will be redevelopment and restoration of contaminated properties to beneficial uses. This vision will not be developed in a vacuum and will be framed by a larger

vision of creating sustainable communities with jobs and quality of life. It will be designed in a participative fashion both around sites and with institutional partners interested in concepts such as community rebuilding, neighborhood revitalization, environmental justice, economic redevelopment, special taxing and tax incremental districts, minority business enterprises and much more.

Program priorities will consider the degree of environmental contamination at a site and how that site fits in a broader context of planned land use, urban revitalization, infrastructure needs, critical resource rebirth (such as a riverway or parks and open space) and socio-economic impacts. Some projects may be developed in the context of meeting key community infrastructure components, such as owner occupied housing, small business, education, recreation, culture and open space. Other projects will be less complex, focusing on a single-site purpose or employer. Redevelopment considerations should support cleanup decisions and vice versa, allowing for a broader benefit associated with a cleanup decision.

- **Advocacy/Single Point Of Contact.** The Department envisions project managers who serve as the focal point for the Department on the project and with particular stakeholder interests (such as professional, business, non-government and other institutions.) This "organizing-around-the-customer" approach is consistent with other initiatives underway in the Department's reorganization effort and reflects methods used in the private sector. Our project managers from the new Remediation and Redevelopment program will be evaluated in their new role as project coordinators (single point of contact) and as project advocates. They will seek innovative, cost-effective and timely solutions that not only promote the environmental protection vision of the program, but the redevelopment vision as well. Importantly, staff and program managers will view this as "real work," not a workload add-on.
- **Public Participation and Community Education.** Public involvement, community education and risk communication are all critical to program success. The Department envisions a program that actively and effectively involves the public in the cleanup and redevelopment projects from beginning to end. The Department must engage the community using a full range of innovative public involvement and education tools throughout the entire cleanup process after determining the community's level of interest.

Defining community expectations, seeking feedback, and recognizing achievement are also important components of the participation and education program. The Department must be sensitive to local issues and openly and honestly communicate health or environmental risks for all project options.

Partners and the Department also may use the remediation and reuse effort as an opportunity to educate youth and adults about the value of preventing pollution as a means of avoiding long-term community costs.

- **Privatization.** The Department envisions a program that relies on the private sector to the maximum amount possible to achieve environmental cleanups. The private sector already has substantial incentives to cleanup contaminated sites without oversight. The Department should develop a program that removes the barriers to the private sector accomplishing the cleanup and site reuse objectives. Special attention may be paid, for example, to working with consulting engineers fearful of professional malpractice filings. The legitimacy of the fears should be explored and, if merited, addressed in a partnership fashion. The Department and partners should continue and refine efforts to save costs and to free limited state staff and fiscal resources for the highest priority needs.
- **Consistency.** Regardless of the type of environmental media which is contaminated, the Department will have a consistent approach and process to cleaning up contamination. It will use the NR 700 rule series process that is clearly defined and uniformly implemented throughout Wisconsin. There will be a single point of contact for site discovery, prioritization, investigation, remedy selection, remedy implementation and site closure. Where sites are clustered together for common purpose (such as a redevelopment region) or common characteristics (such as a single contaminant source), a single project manager point of contact will facilitate communications, as well as ensure consistency.

This consistent process will apply to contaminated soil, groundwater and sediment regardless of whether the source of contamination is regulated in some other program or some other agency. Whether a closed landfill, abandoned wastewater lagoon, spill site, hazardous waste facility, etc., a consistent approach under the umbrella of the Remediation and Redevelopment program will apply and be administered through a comprehensive and accountable management and human resources system. Even if the contaminated site is associated with a facility or activity regulated by another agency for pollution prevention purposes, the cleanup will occur consistent with this approach. Under this vision, all customers will use the NR 700 rule series to comply with DNR requirements for cleaning up a site, regardless of whether the site has traditionally been regulated under a specific state or federal authority.

- **Geographic Proximity.** Cleanup project management will occur, to the greatest extent possible, at the DNR service center or through the DNR office closest to the location where the project and the people associated with it are located. DNR staff close to the project where they can monitor local concerns is critical to

the success of the consolidated program. The program will need to balance and ensure that both visions of decentralization and consistency are met through policy and guidance development, frequent communication among staff, internal audits, and a system of externally validated accountability that prevents the erosion of program support at any level -- region or headquarters.

- **Timeliness and Efficiency.** The Remediation and Redevelopment program will be sensitive to customer needs and priorities. Staff from the frontline to headquarters should have the benefit of a management system that has fairly developed and focused customer service standards for which they will be held accountable. Often procedures and lack of timeliness of governmental approvals can do more to prevent progress on a site than the cost of remediation itself. The Department envisions a program that maximizes private sector efficiencies that not only removes regulatory barriers, but that also assures rapid approvals when needed on important projects.
- **Trained, Innovative And Responsive Staff.** The Department envisions program staff who are recruited, trained and rewarded for the skills and knowledge they bring to all aspects of the Remediation and Redevelopment program, including its technical, management systems and partnering dimensions. Current staff are experienced and dedicated to addressing contamination problems. Broadening the focus of the program will provide staff with additional growth opportunities in applying their many talents. Staff need time and resources to obtain adequate training and a high degree of proficiency in redevelopment issues. These philosophy changes and acquired skills will decrease the Department's reliance on the old command-and-control regulatory structure, while enhancing customer service. Individuals would be trained, sensitive and supportive of the program goals of consistency, redevelopment, efficiency, promoting private sector solutions.

The Department will commit to expand staff skills and training to not only environmental science, but also in financing, urban redevelopment and communicating with our customers. These skills need to be fully appreciated and supported by the Legislature as important to the effective implementation of this strategy. In addition, cooperating staff in other programs such as Information and Education, Research, Community Assistance, etc. will be identified and incorporated into the management system.

One objective is to enhance the staff's existing capacity to communicate with effectively and listen to our customers and understand not only the primary but also the secondary consequences of their actions or inaction. The staff also will be encouraged to be innovative, finding new, more efficient and effective

solutions through technology, partnerships, and non-regulatory approaches. We will seek input and feedback from site stakeholders, continuing partners and others as we adjust our way of doing business based upon that feedback.

- **Lack of Regulatory Duplication.** Jurisdictional issues between programs within the Department, between state agencies, or between state and federal agencies should not be allowed to interfere with the goals of beneficial use and consistency in the remediation process. The Department envisions a master strategy for the new consolidated cleanup program that avoids regulatory duplication between programs, authorities or agencies.

To accomplish that objective, the Department will lead when appropriate and participate in efforts to achieve local-state, agency-agency, and state-federal coordination, cooperation and focused efficiency. Moreover, as an advocate and partner, the Department will work to identify the management systems, statutory, regulatory or cultural barriers that inhibit cleaning up and redeveloping contaminated property.

- **Fiscal Resources.** To achieve a seamless, consolidated cleanup program, the Department envisions a single state cleanup fund to assist government and the private sector remediation and redevelopment efforts. A single fund will insure that resources are consistently directed toward the highest priorities based on the program's service statement.

We envision a fund that can be used to develop any and all dimensions of the remediation or redevelopment process, from project identification through feedback and evaluation. It could be applied to meet technical, cleanup aspects of the project (as is more often the case now); it could be applied to the beneficial use process, as envisioned in column "c" of the Partnership Matrix (A-3); or it could be assigned to exploring opportunities and context outlined in column "d" of the Partnership Matrix (A-3).

In any case, projects would be framed through dialogue at the beginning of projects in ways that ensure fiscal integrity, realistic objective-setting and proper oversight. Its benefits should far exceed the costs. The fund should meet state needs if federal cleanup monies and support are reduced. Monies used from the fund would benefit direct remediation, site reuse, urban revitalization, and avoid secondary costs of urban sprawl and "greenfield" development.

- **Continuous Feedback and Evaluation.** The Department envisions a new Remediation and Redevelopment program within the Department that is continuously improving the services it provides through customer feedback and self-evaluation. Advice and participation from our public and private sector

customers will be sought in the development of new policies and programs, but and in our continuous evaluation and improvement efforts to best meet the needs of our customers. As the needs of our customers change or we determine that customers needs are not being met, we envision a program that is flexible and can react quickly to changing priorities. Feedback and evaluation will be critical for quality improvement and public confidence in the program and agency.

IV. PROGRAM ORGANIZATION AND NEEDS

Organization

Secretary Meyer asked the advisory group to report on several areas, including identifying which DNR functions should be assigned to the new bureau and how those functions could be best integrated into a seamless service system for our customers. The Department believes the proposed organization will assist in maintaining a broad perspective and integrated approach to cleanups and redevelopment. The following list contains the sites or facilities which will be the responsibility of the Bureau for Remediation and Redevelopment:

- Hazardous waste facilities currently being cleaned up in accordance with corrective action or closure authorities.
- Closed solid waste landfills or facilities currently being cleaned up in accordance with solid waste authorities.
- All sediment cleanups.
- Closed wastewater facilities currently being cleaned up in accordance with wastewater authorities.
- Sites, facilities or landfills currently being cleaned up in accordance with environmental repair, hazardous-substance spills or Superfund authorities.
- Sites or facilities currently being cleaned up in accordance with land recycling authorities.
- Abandoned containers.

The Solid and Hazardous Waste Management Bureau and Wastewater Bureau will retain primary responsibility for cleanup actions at active solid waste and wastewater

facilities, respectively. The primary reason to keep these sites in the existing regulatory programs is to maintain the single point of contact.

To better understand how the new consolidated program will function, the following items establish the conceptual framework for dealing with many different types of sites or facilities, drawing upon the expertise in multiple programs to efficiently implement a response action:

- The Bureau for Remediation and Redevelopment has responsibility for overall project management and response action decisions at the sites or facilities being overseen by the bureau.
- Risk management decisions, such as remedy selection, is the responsibility of the new bureau. Balancing cost with public health and environmental risks will be a primary focus of the Bureau for Remediation and Redevelopment.
- The "single point of contact" or focal point for contacts with external customers will be staff assigned to the new program.
- Internally, DNR staff will operate as teams on cross-program issues. Any internal disputes will be resolved expeditiously. The key objective will be consistency in the Department's decision-making and using the NR 700 rule series as the foundation for such decision-making.
- Other programs overseeing cleanup actions will conform to policies and approaches adapted by the Bureau for Remediation and Redevelopment. Other programs will seek advice and support on specific issues.

Program Needs

Staff assigned to the new Remediation and Redevelopment program will need a variety of expertise in technical, administrative and systems arenas. All staff will need to demonstrate effective communication skills as they work with others from project identification to evaluation and feedback. Critical skill areas include resolving conflicts and obtaining mutually agreeable solutions. There are several major areas of expertise that make up an effective cleanup program that the Department is striving to implement. They are:

- Technical Assistance (broad knowledge of response actions)
- Specific Technical Expertise
- Partnership Building, Public Involvement, Education and Communications
- Community/Site Redevelopment

- Program Administration and Systems Management

All five of these areas of expertise currently exist within the Emergency and Remedial Response Program (ERR) and some of its partners, such as the Bureau of Information and Education. However, a deliberate effort will be required to keep current in each of the areas of expertise through an aggressive program of training, networking and education. The Department faces the same challenges of many businesses confronted with the need to keep employee skill levels sufficient to meet the changing needs of the marketplace, technology and management systems. The existing ERR program provides an excellent core of staff with expertise for the new consolidated cleanup program. The vast majority of the staff are already decentralized and provide a great deal of technical assistance to our customers. Some sites are project managed and have a high level of oversight, while the vast majority receive technical assistance on an as-requested basis.

Specific technical assistance functions are primarily housed in the ERR Section or other programs such as surface water quality or air emissions programs in corresponding bureaus. The primary role of this small core of staff is to provide assistance to field staff on site-specific issues and to develop guidance and rules to more effectively implement the program. This staff also would have responsibility in the context of the Department's reorganization for collaboratively establishing and enforcing (through the management system) performance standards, including those standards designed to address customer expectations. Also, central office staff will facilitate coordination with other DNR programs, agencies and appropriate representatives of business, industry, the professional community and state elected officials.

The Sediment Cleanup Decision Process in Appendix A-2 is an example of how experts in other programs would interact with staff in the Remediation and Redevelopment program. Program staff, especially in the field, will play a key role in coordinating and ensuring all appropriate programs are involved in a site response to effectively implement the cleanup and redevelopment action.

The outreach/partnership-building/public involvement component is critical to the success of the program. Within the existing ERR program, outreach efforts have been staffed by two positions for nearly seven years. With the expansion of the program and integrating redevelopment into environmental response, outreach will be even more important. Staff with public participation skills and a working knowledge of the program need to be added. These outreach experts should be working within the program, though closely linked to the Department's Bureau of Information and Education.

The ability to build upon the outreach/partnership concepts is a part of understanding how community/site redevelopment applies to cleanup actions. The new program

direction will expand this concept to enhance community and site-specific redevelopment consideration at all sites. Linking redevelopment with cleanup will address concerns raised about staff not understanding the secondary consequences of their cleanup decisions.

Program administration and leadership are key to making everything work well and fit together. This is especially true considering the number of sites (15,000 plus) and the diversified, decentralized work force. Program administration includes policy and guidance development; setting program direction; addressing and resolving issues, etc. It also includes coordination with many different DNR programs, and other state and federal agencies. The other key area of program administration is managing the state cleanup fund (Environmental Fund) and the recovery of expenditures made from that fund. A core group of managers and experts is needed to support the bureau director in leading an effective program. They must factor in the program visions discussed in Section III of this report when developing the program workplans and staff performance objectives. Individual staff should be rewarded for successfully expanding the focus and accomplishments of the program.

A key element that the internal implementation team must resolve is the number and expertise of additional resources the new program needs. Based on the number of sites, complexity of issues and number of partners and stakeholders engaged, adequate resources are key to the program's success. However, program staff and management need to continue to streamline the overall response process using innovative solutions and DNR resources where they are most needed. Such streamlining, however, may require legislative or federal blessing as many may be required by state law, the administrative code or federal procedures.

V. CREATING A RESULTS-DRIVEN SYSTEM

The existing remediation system brings a project to successful closure when specific cleanup criteria are met. A monitoring and reporting system is then established to ensure the criteria established for health, safety and environmental protection are met. The system is also designed to alert managers to problems that may need correcting. The same approach should be applied to the program's implementation, i.e. seeking feedback, evaluating the input and using that information to improve the Department's approach to environmental protection and redevelopment.

Generally speaking, technical experts, risk managers and regulators oversee the integrity of the system designed to protect the environment and public safety. The Department would maintain its role in determining the establishment of criteria governing cleanup activity and the overseeing of long-term monitoring.

A system that includes beneficial use as a co-purpose requires more complex design and, consequently, more comprehensive management to define and measure progress and results. In many of these categories, the Department would be a supporting partner, helping the site developer or the larger community achieve beneficial use results through activities such as building neighborhood infrastructure. In other cases, the Department would play a much stronger role in leveraging cooperation from federal regulatory agencies, for example.

In all cases the beneficial use system would be designed, managed and measured against a system of visions, goals, outcomes, outputs and mileposts --components of a sound management system. At various stages of the project and upon project completion, the Department would be responsible for clearly and credibly reporting to all relevant stakeholders progress toward project goals and the lessons learned from successes or failures. This reporting system will require thoughtful front-end planning and collaboration to insure agreement on performance criteria, reporting format (including visuals) and communications strategy (sharing the data with key stakeholders in specific sites and as well as the comprehensive process of transforming contaminated sites to beneficial use).

When a specific project is designated for beneficial use, outcome criteria should be established, in cooperation with key stakeholders. This framing of expectations will be important to reduce the likelihood of misunderstandings as well as guide work activity. Categories of results areas could involve a range of topics including jobs created, home ownership established, income generated, infrastructure built or lessons taught.

In a larger sense, the Department should cooperate with major institutional stakeholders such as lenders, federal regulators, non-government associations, professional organizations and other government agencies to build a critical mass of experiences, knowledge and best practice examples of use to all Wisconsin parties interested in beneficial reuse of contaminated properties. As the body of knowledge grows, there will be a greater understanding of cost-effective trends, bench-marked activities, measurability of secondary costs and benefits and much more.

ENVIRONMENTAL INDICATOR SYSTEM

The management system, as applied to the conversion of contaminated sites to beneficial use, should be tied to a larger, Department-directed environmental indicator system now under development. Such a system, important to quality improvement and reporting of results (or areas of needed improvement), would be well suited to the cleanup program. In fact, the cleanup program could be a Department prototype of an applied environmental indicator system.

Indices of environmental health (cleanup standards), community vitality (commerce, housing, education and culture) and long-term sustainability (education, infrastructure development, etc), could be developed. Indicator systems now in place in Oregon and Minnesota and planned by North Carolina serve as good examples.

VI. IMPLEMENTATION ISSUES

The basic question facing the new program is: "How will this all work?" Implementation of this organizational change will be carried out as part of the DNR reorganization process. Developing a "seamless" cleanup program out of many existing state and federal programs, with different mandates and approaches will not be easy. Fortunately, Wisconsin has the NR 700 rule series, which establishes the technical and procedural processes for addressing environmental contamination. The NR 700 rule series is already applicable to most cleanup programs.

Also, Senator Panzer's Special Committee on Remediation of Environmental Contamination is tackling many of the large, statewide issues related to the strategic directions and organizational aspects of this report.

With that background, implementation issues may be grouped into four broad categories. They are:

- Federal Requirements/Interface
- State Requirements
- Workload/Resources
- Promotion of Innovation

Bringing this issue to the attention of the Legislature, via Senator Panzer's special committee and our customers, will assist the Department in identifying ways to resolve the outstanding issues and move towards a more effective cleanup program in Wisconsin. An excellent example of how partnerships help achieve cleanups and redevelopment results is the brownfields initiative in metropolitan Milwaukee. This initiative, led by the City of Milwaukee and Wisconsin Electric Power Company with Department participation, illustrates a competency that is marketable in a larger sense, effectively addressing a range of issues from site remediation to liability containment and management. Attachment A-4 provides more information about this innovative initiative.

The following information is provided to better understand the issues related to the four categories:

- Federal Requirements/Interface - Overall, most federal cleanup programs are very prescriptive, meaning the state has little flexibility in implementing federal program requirements. There are three major federal cleanup programs -- hazardous waste, leaking underground storage tanks and Superfund -- with different approaches and perceived levels of flexibility. The Department will pursue with EPA innovative ways to manage cleanups via delegation or authorization of specific programs to maintain a "seamless" approach. The Department needs to facilitate a change in EPA's views on how individual federal cleanup programs interface with a state like Wisconsin that has a comprehensive cleanup effort.
- State Requirements - Currently, there are aspects of cleanups in several different state statutes. Under the direction of Senator Panzer's committee, the Legislative Council is rewriting Chapter 144 and some related chapters to consolidate and update our environmental statutes, including those related to environmental remediation. Next, the Department and its customers need to look at additional changes to better streamline the cleanup process and use agency staff.
- Workload/Resources - There are two basic workload and resource issues that are closely related: funding labels and redirection of resources, where appropriate. Based on specific state and federal funding sources, staff are not always directed to the area of most need. "Losing" the funding labels would provide the Department with a great deal of flexibility to address the "real needs." The term "real needs" means the holistic approach to cleanups discussed in this report. As a consequence of losing the funding label, a broader program perspective would be achieved, as opposed to a single program approach. The "fiscal resources" bullet previously discussed in the "Opportunities and Visions" section of this report will provide the financial base for a stable program.
- Promotion of Innovation - Innovation covers many areas for people involved in cleanups and redevelopment to consider: technical approaches to investigations and cleanups; privatization of approaches for site cleanup; understanding the secondary consequences of decisions; developing a statewide-holistic approach to all cleanups; etc. Similarly, the concepts of partnering and leveraging is innovative in the eyes of the state. Numerous legal, procedural, bureaucratic and other barriers (some imposed by the Legislative, Executive and Judicial branches) discourage innovation, risk taking and sharing of responsibility in the public sector. The partnerships discussed previously in this report as part of a comprehensive communication effort is key to defining these innovation issues, solving them and identifying more opportunities to improve the program. This area will be a key focus of the new program, especially from a program

management perspective.

VII. INNOVATIVE INITIATIVES UNDERWAY

The Department is committed to improving the effectiveness of its cleanup programs, striving for a balance between public health, safety and environmental protection with cost-effectiveness and redevelopment. We believe, and many of our customers agree, that the NR 700 rule series took a significant stride in that direction. Building upon that effort, the following is a list of some key innovative approaches underway:

- Electronic Bulletin Board for Program Guidance and Information. To provide better customer service, the program has established a electronic bulletin board system that allows users with access to a modem to download computer files containing the program's technical guidance, fact sheets, etc. The bulletin board provides our customers with a cheaper, faster means of getting information and it saves staff time and resources.
- Obtaining federal Superfund dollars to fund staff to begin implementing the Land Recycling Programs (Act 453). Federal funds from the Region V Superfund program are supporting five positions to implement brownfields and environmental justice initiatives (particularly those contained in Act 453), develop the land recycling program, and provide technical review. Funding for these five positions is available until January 1997.

Land Recycling Program staff are in the process of requesting from EPA additional funds to support 1.5 limited term employees to conduct technical oversight on underground storage tanks at brownfields and purchaser liability exemption properties.

- Closure Flexibility Proposal for Groundwater Contamination. The Department has developed and is planning to pursue an administrative rule change to address concerns raised by the Wisconsin Petroleum Marketers regarding closure of groundwater contamination cases. The issue is to define a mechanism to allow closure of sites with groundwater contamination above the enforcement standard in cases where it is warranted. Those cases can be defined in situations where:
 - a. "Active" remediation has been implemented using some scientific and engineering principles, but has reached limits of effectiveness;
 - b. It is apparent that an engineered remediation system is not likely to be effective in meeting the enforcement standard in a relatively short period of time; and

- c. It is apparent that the risk to human health and the environment is minimal and a more aggressive or more costly remedy is not warranted.

To address these situations, the Department is proposing to establish three levels for groundwater contamination case status. Two levels would represent complete case closure -- no further action at the site would be required. The third level would not be "closure" in the traditional sense, but rather the Department would provide a formal recognition that the action being taken to clean up the groundwater is adequate.

- Bioremediation Technology Team (BTT) Initiatives. The BTT was created in 1991 to: address the regulatory constraints that discourage using bioremediation as a cleanup technology; train DNR staff; and train consultants and those who apply bioremediation and other innovative cleanup technologies.

The team has addressed the most pressing issues limiting the use of bioremediation:

- a. Modifying the prohibition on underground injection wells.
 - b. Allowing the department to issue temporary variances (for up to five years at a time) when NR 140 groundwater standards are exceeded at points of standards application.
 - c. Development of a memorandum of understanding between four bureaus laying out basic application of the two code changes and giving Solid Waste project managers authority to approve injection wells, as well as injection of materials above NR 140 standards.
 - d. Development of a position paper on addition of microbes into soil and groundwater.
 - e. Development of guidance on a number of related technologies.
- Landspreading of contaminated soil initiative. In an effort to maintain a single point of contact and promote more cost-effective cleanups, the oversight of landspreading contaminated soil was transferred to the Emergency and Remedial Response program. Staff are working with external groups (Petroleum Marketers, Department of Transportation, Wisconsin Federation of Cooperatives, and the Sierra Club) and internal experts (Solid Waste, Air Management, Water Resources and Wastewater) to develop guidance to implement an effective program. The next step will be to develop administrative rules based on the

guidance. The landspreading of contaminated soils will be included in a revision to NR 718, Wis. Adm. Code.

- Cost sharing of cleanups (e.g. Holtz and Krause Landfill; Monarch Range; Eau Claire Lead Site; Mid State Landfill; Fox River Coalition). The projects identified under this item represent successful examples of multiple partnerships established to address significant contamination problems. To further the partnerships, state cleanup funds were provided for the cleanups. The end result has been greater cooperation and acceptance of the remedy, faster cleanups, and greater participation by impacted and interested parties.
- NR 700 rule series evaluation with multiple "customer groups." The evaluation of the NR 700 rule series represents the type of feedback and evaluation process this report discusses and will be expanded throughout the agency. Based upon significant and diverse interest in the rule series, meetings were set up to solicit input on issues related to the rule and overall program implementation. The groups participating in the evaluation are: industry/manufacturers, Petroleum Marketers/agrichemical cooperatives, soil treaters, landfill owners and operators, consultants, and environmental and community groups.
- Department participation in the City of Milwaukee - Wisconsin Electric Power Company Brownfields' Initiative in the Milwaukee metropolitan area. (See A-4 for more details).
- Expansion of the Land Recycling Program. The Department has been working with the Special Committee on Remediation of Environmental Contamination to expand the types of assistance the Department can offer to its customers. Staff have advocated adopting many of the types of technical assistance and closeout letters used by Minnesota's Voluntary Investigation and Cleanup program. These letters would assist many current property owners and purchasers with conducting property transactions at contaminated sites. (See A-4 for more details).
- Land Recycling Public Outreach. The Land Recycling program created a information hotline for people interested in the many provisions in Act 453. This is a toll-free number that provides callers with prerecorded information on commonly asked questions about lender liability, purchaser liability, and municipal grants. It also allows people to request any publications that the program has available. (The toll-free number is 1-800-367-6076.)

The Department is co-sponsoring (with City of Milwaukee and Wisconsin Electric Power Company) a major conference on the impact of brownfield properties in

the southeast part of the state. Staff are assisting the City and WEPCO with planning activities and providing other support functions. This conference is scheduled for October 10 in Milwaukee. (See A-4 for more details).

- Hazardous Waste Facility Remediation. Projects to streamline, simplify and address consistency:
 - a. Significant work has been done to streamline the RCRA corrective action process over the last two years, and that work continues. Successful efforts have been made in working with EPA to change the corrective action process used in addressing contamination at hazardous waste facilities in Wisconsin, resulting in faster hazardous waste investigations and cleanups. We've also been successful in getting EPA to recognize the NR 700 process to define cleanup requirements for these facilities. Wisconsin has also moved into the lead on a number of projects that were federal lead, and as a result many of these cleanups are now moving forward.
 - b. A project was also undertaken to streamline and simplify the guidance covering remediation activities for contaminated facilities under the hazardous waste closure authorities. The guidance has been revised by a team of cross-program staff and managers to simplify the process and make cleanup activities under hazardous waste consistent with the NR 700 rule series.

Appendix (A-1)

Minutes of Advisory Group Meetings

Appendix (A-2)

Sediment Cleanup Decision Process

Appendix (A-3)

Partnership Matrix

Appendix (A-4)

Milwaukee Metropolitan Brownfields' Initiative

Appendix (A-5)

Advisory Group Charge

Advisory Group Charge

The charge to the Advisory Group was: "To advise the Secretary and the Division Administrator on how to structure and implement their decision to create a cleanup bureau within the Department of Natural Resources. In particular, the work group is expected to provide advice on:

1. Identification of customer needs that the new organizational structure is expected to resolve;
2. Which DNR programs and functions should be assigned to the two new cleanup and waste management bureaus and how they can be best integrated into a seamless service system for customers;
3. How to organize for maximum effectiveness in anticipation of the creation of a new state cleanup fund;
4. What communications systems are needed to ensure success and integration of programs; and
5. What new administrative authorities are needed to implement the work groups' recommendations.